

Testimony of Phill Guay to the California Air Resources Board

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Hello I'm Phill Guay VP of Business Strategy and Marketing for Columbia Forest Products and in that role focus on our global environment.

Today I am going talk to you about the huge impact offshore HWP has on the health and safety risk to Californian's. When the most recent work on this regulation began three or so years ago the domestic manufacturers made almost all of the hardwood plywood consumed in the USA and California. Last year of the 5.2 MMCM plywood consumed in the USA only 1.4 MMCM was made here. In short 75% came from offshore with most from china. Much of that ultimately arrived here in California as end products

These are numbers that are stunning-- a complete change in the industry in just three years. While I do not have exact numbers we all know much of the furniture bought by Californian's and about 20 % of the engineered flooring came from offshore and primarily China. So while this regulation has been debated strenuously by those in this room, and others, by wide margin the biggest impact on health and safety of Californian's will come by its implementation offshore.

One of the affects of the decline of domestic manufacturing is that the US and California have become a dumping ground for products with high UF emissions levels. Products that cannot be sold anywhere else in the developed world.

I cannot emphasize that enough. California has become a dumping ground.

The E1 rule in the EU limits UF in that area, Japan has a strong F**** standard, even China itself limits sale there to E1. By far China is the biggest supplier of HWP to EU, Japan and obviously itself at levels well under those exported to California.

At Columbia we regular test for UF emissions of imports. In the tests submitted in the record the imports ranged from .29 PPM to 3.0PPM. Keep in mind the very same factories that are sending this unsafe plywood here are supplying most of Europe's E1 plywood, nearly all of Japans F**** and E1 for their own country. They dump here because they can. But they can easily manufacture at lower emission levels.

We think your implementation plan to focus on the importer is an excellent start. It will only take few loads being rejected or heavy fines and the unscrupulous importer will begin specifying to the new levels. After all the offshore suppliers build to an order specification rarely to inventory. When you control the importer and their direction to the manufactures you will ultimately affect a huge change in the industry.

We strongly encourage you to act today to stop these unhealthy imports

Thank you